

# ILLINOIS ALTERNATIVE FUEL VEHICLE INCENTIVES AND LAWS



Illinois is the proud home of two Clean Cities:

Chicago

Peoria

## Overview

The State of Illinois offers a rebate of 80% of conversion or incremental costs of alternative fuel vehicles (AFVs), up to \$4,000 per vehicle.

## Highlights

\$ Up to \$4,000 rebate per vehicle from the State of Illinois for 80% of the conversion or incremental costs of AFVs.

## State Incentives

\$ Senate Bill 276 of the Alternative Fuels Act, enacted November 17, 1995, offers cash rebates toward the conversion or the incremental cost of AFVs. The rebate is equal to 80% of the conversion cost or the incremental cost, but not to exceed \$4,000 per vehicle. The rebate program will be in effect until 1999. For more information, contact Dave Loos, Department of Conservation, at (217) 785-3969.

A State Energy Program grant from the U.S. Department of Energy will provide for rebates for 50 AFVs for eligible municipalities and the State of Illinois and provide leverage for the establishment of alternative refueling facilities at selected public sites.

## Utility/Private Incentives

**Peoples Gas Light and Coke** has joined in a partnership to offer Chicago area fleet owners and operators Clean Fuel Services which include: owning and maintaining natural gas fueling equipment; arranging for the purchase of natural gas conversion systems; arranging for the purchase and/or transportation of natural gas; engaging in the buying and selling of emission allowances; and providing sources for conversion system manufacturers, cylinder suppliers, installers, and coordinating the installation of systems. Contact Dan LeFevers, Natural Gas Vehicle Specialist, at (312) 240-4984 for additional information.

**Cady Oil Company** Compressed Natural Gas (CNG) in Central Illinois will convert vehicles; install, service, or rebuild CNG refueling stations; and set up a computer controlled card reader system to monitor and control refueling needs. For additional information, contact Steven Cady at (309) 688-1264.

**Mid-American Energy** fleet customers may be able to make arrangements to use the Mid-American Energy CNG refueling facility in Rock Island. For more information, contact Curtis Arp at (309) 793-3612.

**The National Ethanol Vehicle Coalition (NEVC)** is an ad hoc group created by the National Corn Growers Association (NCGA) and the Governors' Ethanol Coalition (GEC) to establish a national program to promote the use of 85% ethanol fuel (E85) as an alternative fuel, enhance agricultural profitability, advance environmental stewardship, and further national energy independence. Through a cooperative effort with the NCGA and its state affiliates, the GEC, state energy offices, and the U.S. Department of Energy, NEVC provides forgivable loans for the installation of public E85 fueling facilities. For more information, contact Phil Lampert at (573) 635-8445 or Sandy Hentges at (573) 636-8590.

## *Utility/Private Incentives (cont.)*

**Northern Illinois Gas** will provide economic analysis to compare natural gas to other fuels and will provide technical support. Northern Illinois Gas will loan portable CNG fueling facilities for 3 to 6 months, and loan CNG vehicles on a demonstration project basis to give customers the opportunity to try natural gas as a vehicle fuel. The 4 CNG fueling stations Northern Illinois Gas uses for its own fleet are available to customers by arrangement. Northern Illinois Gas has joined in a partnership to offer Chicago area fleet owners and operators Clean Fuel Services which include: owning and maintaining natural gas fueling equipment; arranging for the purchase of natural gas conversion systems; arranging for the purchase and/or transportation of natural gas; engaging in the buying and selling of emission allowances; and providing sources for conversion system manufacturers, cylinder suppliers, installers, and coordinating the installation of systems. For more information, contact Tony Lindsay at (708) 983-8676, extension 2854.

## ***Laws & Regulations***

The Alternate Fuels Act requires a \$20 per vehicle annual user fee for fleets of 10 or more vehicles. Electric vehicles (EVs) are exempt from this fee. The funds will be put in an Alternative Fuel Fund, which will be used to fund the state rebate program for AFVs and an ethanol fuel research program.

Illinois has adopted an Employee Commute Options Program in which 25% of all employees of companies of 100 or more employees must participate in a rideshare program. The program sets forth a maximum ratio of vehicles to employees in each area. AFVs will initially count as one-half of a vehicle.

The state provides a 2% sales tax exemption for 10% volume ethanol blends (E10).

An Executive Order in 1987 requires state vehicles to use E10.

Public transportation authorities with a population greater than 50,000 are required to use ethanol blends.

All vehicles leased by any state college or university must operate on gasoline blended with E10 whenever it is available.

The Clean Alternative Fuels and Conservation Act requires that by the year 2000, 75% of state-owned passenger cars, light trucks, and vans will be capable of running on clean alternative fuels.

Propane and CNG vehicles must display visible identifying decals.

The Department of Central Management Services must set forth and adopt regulations regarding motor vehicles that will include the use of ethanol-based gasoline.

In 1993, Resolution SJR 13 was passed, encouraging the Federal government to cooperate in funding research intended to increase production and use of ethanol.

## ILLINOIS ALTERNATIVE FUEL VEHICLE INCENTIVES AND LAWS

### *Points of Contact*

**Chicago Clean Cities Coordinator**

Mary Sigmon (312) 744-3635  
City of Chicago

**Peoria Clean Cities Coordinator**

Susan Warren (309) 671-8822  
United States Postal Service

**St. Louis, MO Clean Cities Coordinators**

Donna Day (314) 421-4220  
East-West Gateway Coordinating Council

Chris Amos (314) 768-2898  
Board of Public Service  
Equipment Services Division

**Illinois State Energy Office**

Illinois Department of Conservation  
Dave Loos (217) 785-3969

**Cady Oil Company**

Steven Cady (309) 688-1264

**Mid-American Energy**

Curtis Arp (309) 793-3612

**Peoples Gas Light and Coke**

Dan LeFevers (312) 240-4984

**National Ethanol Vehicle Coalition**

Phil Lampert (573) 635-8445  
Sandy Hentges (573) 636-8590

**Northern Illinois Gas**

Tony Lindsay (708) 983-8676  
extension 2854

**Metropolitan Planning Organizations****Chicago Area Transportation Study**

Andrew Plummer (312) 793-3456

**Illinois State Transportation Contact**

Department of Transportation  
Linda Wheeler (217) 782-6289

**U.S. Department of Energy****Regional Support Office**

Chicago Regional Support Office  
Melinda Latimer (312) 886-8582

**U.S. Department of Transportation Contacts****Federal Highway Administration**

Region 5  
Sam Herrera-Diaz (708) 283-3536

**Federal Transit Administration**

Region 5  
Doug Gerleman (312) 353-2789

**General Services Administration****Regional Fleet Manager**

Region 5  
Grant Jahr (312) 353-5379

**U.S. Environmental Protection Agency****Regional Pollution Prevention Coordinator**

Region 5  
Phil Kaplan (312) 353-4669